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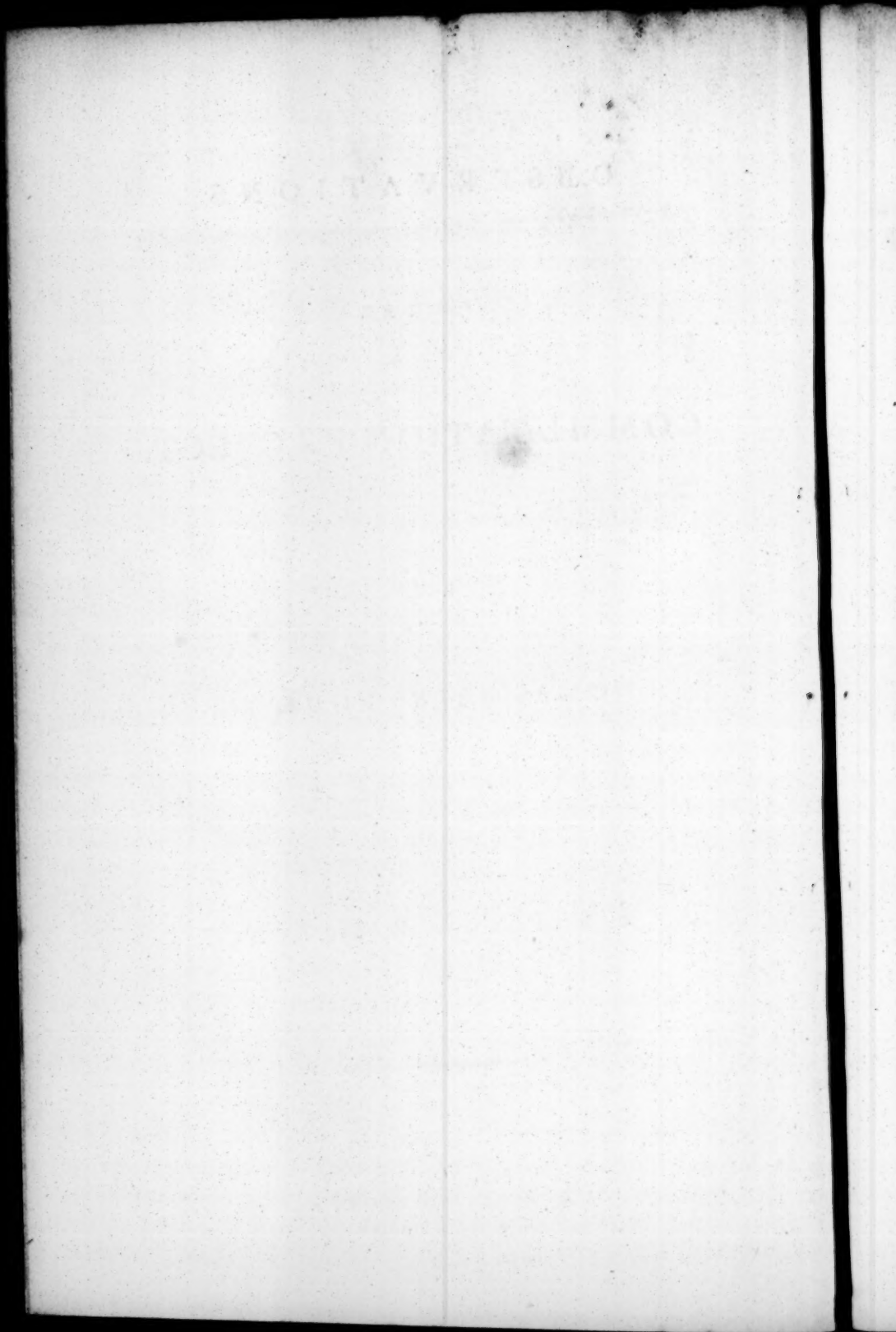
OBSERVATIONS
ON THE
COMMUTATION PROJECT.

BY
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WITH
A SUPPLEMENT.

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INTRODUCTION.

HAVING for some time past persuaded myself that the mistakes which prevail in this country respecting our vast concerns in Asia, are too closely interwoven with political interests and prejudices to be removed by argument, I should not now have troubled any person with my opinions on the subject of the few following sheets, could I have longer justified *silence* to my own mind; but as these opinions, *should they be rightly founded*, require the most immediate attention, to delay giving them to the public would be to deserve the reproaches of every man; and in-

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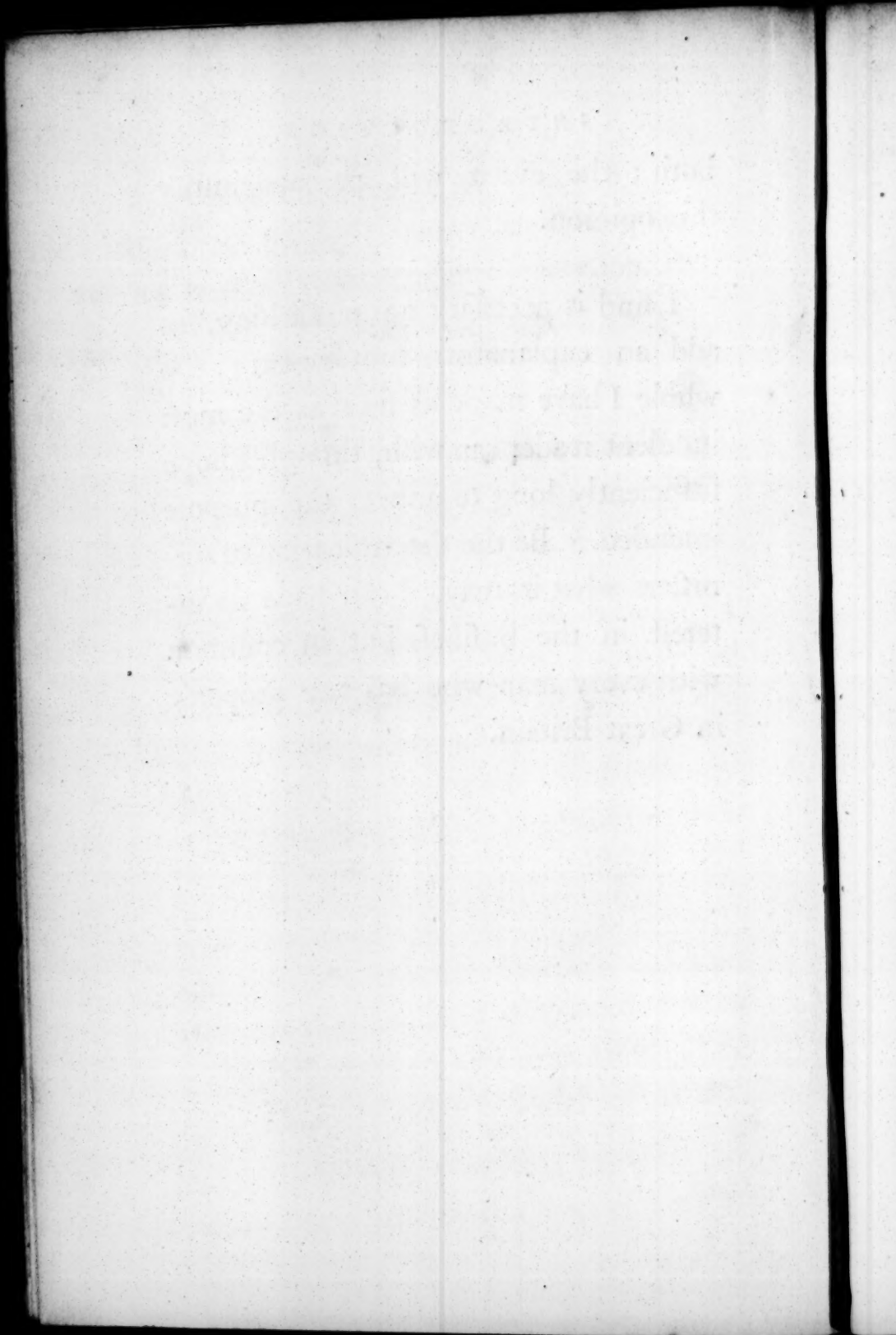
deed, the *China* trade of which I am about to speak, is perfectly distinct in its nature, interests, and operation in this country, from that of our possessions in *India*.

I submit to the public the following observations, as I at first drew them up for the purpose of fixing the attention of those who possessed every means of information, to what appeared to me to be the true interest of this country. The Commutation scheme always has, in my opinion, (an opinion formed long probably before the present minister had ever seen the scheme,) contained *this false and dangerous policy*; it pledged the Minister and the East India Company to the people of England, not to exercise judgment and discretion in the conducting a business which of all that could be undertaken required themost of
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INTRODUCTION.

both ; the event will perhaps justify this opinion.

I find it necessary on publishing, to add an explanatory supplement ; the whole I have made as short as the most indolent reader can wish, though I hope sufficiently long to answer the purpose intended. Be the determination of ministers what it may, I can have no interest in the business but in common with every man who has any property in Great Britain.



OBSERVATIONS, &c:

NO man could have more earnestly wished for alterations in the duties on tea than myself, but the Commutation project appeared to me, from the first moment it was proposed, not merely unnecessary, but big with the greatest mischief. A few weeks ago, I received in the country a pamphlet, written by a Director and particular friend of the Minister, and one, who by his own account in the pamphlet, appears to have been consulted. Every line served to convince me that I was not mistaken, and that the subject was thoroughly misunderstood. Having communicated my opinions to various people, who have expressed themselves astonished at the delusion they have been led into: to save my-

self the trouble of *repeating* an explanation of the same subject, I have thrown the whole upon paper. In so doing I have no object to obtain, but the inducing those on whose counsels the prosperity of the country must depend, to seriously weigh this important business before it may be too late.

The passion for this foreign article in all orders of people, down to the poorest wretch who can scarcely pay for bread, is so strong, that nothing but the *price* at which it has been sold, could in any degree controul the most immoderate consumption. A very large proportion of this price has been created by the duties of Customs and Excise ; in so much, that the price to consumers here was from 140 to 180 per cent. (according to the different species,) higher than the general prices on the Continent : the conveying it, therefore, illegally here, (an operation that might be performed several times in a twelvemonth with the same capital,) seems to offer so enormous a profit as would lead one to suppose no legal importation could have taken place. However, such is the vast expence, risk, and dan-

danger which attends smuggling, that nearly, if not quite, half the consumption of this country has been supplied by the East India Company, yielding to the Exchequer upwards of £. 700,000 per annum. The object to be wished for, is to defeat the smuggler, and obtain the legal importation of the other half, WITH AS LITTLE INCREASE OF THE GENERAL CONSUMPTION AS THE NATURE OF THE OPERATION WILL ADMIT. Great Britain will then have to pay only the original cost in China for the commodity; and her own East India Company, instead of other European Companies, will have the benefit of the commerce. But as this desirable object cannot be obtained without giving to the people of this country *all the legal teas* at a price which the smuggler must sink under, the operation involves *interests* of a magnitude far greater than any person, unaccustomed to think on the subject, can readily conceive; and, (if I am to judge by the pamphlet I have alluded to,) interests of which the slightest conception seems not to have been formed by those on whose knowledge we are to rely. To carry this measure into any happy effect,

it has always appeared to me, that great knowledge of the business, much temper, judgment, firmness, perseverance, and integrity, would be required. I am sorry to say, that some of the former of these requisites appear to have been wanting in the conductors and advisers of the present project of commutation. I do not think I shall state it too strongly, by saying, that a Tax has unnecessarily been laid, highly injurious to property; and that in consequence of having laid this Tax, a kind of necessity has been induced, to atone to suffering individuals by a most pernicious sacrifice of the interests of the kingdom, the extent of which cannot at present be even guessed at.

This foreign article, the consumption of which in *any* degree is not beneficial, but which has been thought the less evil, from its being the means of raising a large *revenue* to the Exchequer, paid without any murmuring; and which revenue might have been improved, and the smuggler equally well defeated. This foreign article has been controuled in its consumption by the prices

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at which it has been sold previous to the late alteration, to about 12 or 13 millions of pounds. I mention *this quantity*, in conformity with the report of the Committee on Smuggling of the House of Commons, though I am myself strongly inclined to think that the fictitious sort of tea, (vulgarly called smouch) which was made in this country, was not only a substitute for the foreign, but had actually driven vast numbers of the middling and lower classes of people from the use of tea altogether, and had really brought it into discredit. The legal teas have been given to the Dealers by the East India Company, on an average of ten years, at the following *prices*, including the duties of Customs and Excise.—

Of which the duties amounted to nearly per

	s.	d.	lb.	s.	d.
Bohea, per lb.	4	3 $\frac{3}{4}$	ditto	2	6 $\frac{8}{100}$
Congou, ditto	6	10 $\frac{1}{4}$	ditto	3	8 $\frac{5}{100}$
Souchong, ditto	8	0 $\frac{7}{4}$	ditto	4	3 $\frac{1}{100}$
Singlo, ditto	6	8 $\frac{1}{2}$	ditto	3	7 $\frac{7}{100}$
Hyson, ditto	11	10 $\frac{1}{2}$	ditto	5	11 $\frac{6}{100}$

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These prices must of course have regulated to the consumers in general the prices of tea, as the dealer sells his legal and illegal tea without distinction. The difference therefore between this fixed price here, and the price the smugglers can get tea for on the Continent of Europe, yields the means of carrying on the business. The profit must be divided between the smuggler and the dealer, as the latter will not prefer the illegal to legal tea, at the risk that attends it, without considerable advantage, the quantities sold by the smuggler personally to the consumer is not very material.

	The price here.		The price on the Continent.		Difference of prices.		per cent. profit.
	s.	d.	s.	d.	s.	d.	
Bohea,	4	3 $\frac{3}{4}$	1	6	2	9 $\frac{3}{4}$	180
Congou,	6	10 $\frac{1}{4}$	2	6	4	4 $\frac{1}{4}$	176
Souchong,	8	0 $\frac{7}{8}$	3	3	4	9 $\frac{1}{8}$	145
Singlo,	6	8 $\frac{1}{2}$	2	8	4	0 $\frac{1}{4}$	152
Hyson,	11	10 $\frac{1}{8}$	5	0	6	10 $\frac{1}{8}$	140

The profit in the smuggling trade appears, by the above statement, to have been enormously great; especially as the same capital would

would do for several operations in a twelve-month, and as half the consumption was, notwithstanding, left to the East India Company : it proves that vast profit was necessary, and that the throwing down to the extent that has been done, the only barrier to an immoderate and pernicious consumption of this luxurious article, was unnecessary.

This year, when the smuggler, from having advantages he can never again possess, must have imported some millions of pounds ;* when the East India Company not being prepared for such an undertaking, either with forts or quality, was forced to give the public *old* as well as *new* teas ; and when the most formidable combinations were of course made to keep up prices, and when many other circumstances have prevented the Teas being at the level they must soon come to, exonerated from duties, we have seen the

* The foreign Companies having imported from China, tea for the English smuggler, were under the necessity of giving it him at any price, even as low as the cost in China ; a trade which of course could not long continue. Mr. Baring in his pamphlet, says, " That every place the smuggler could have access to was glutted."

legal sales rapidly advance, from six to sixteen millions of pounds, in the manner following :—

	lb.	lb.	<i>Increase.</i>
Bohea,	3,343,589	6,076,620	not double.*
Congou,	695,870	2,870,719	four times.
Souchong,	99,562	635,866	six times.
Singlo,	1,843,981	5,036,363	three times.
Hyson,	375,140	1,533,102	four times.
	6,358,142	16,152,670	

* The cost of tea in China is nearly as under, without allowing for the effect of the increased demand; by adverting to the proportional value of each sort, the consequence of rashly throwing down the prices, and inducing thereby a consumption of the finer for the more ordinary sorts, will be seen.

	s.	d.	
Black Tea,	Bohea,	— — 0 9	per pound.
	Congou,	— — 1 3	ditto.
	Souchong,	— — 1 10½	ditto.
Green Tea,	Singlo, including all		
	forts below Hyson,	1 3½	ditto.
	Hyson,	— — 2 6 to 3 0	do.

We

We see by this account that the encrease has been out of all proportion greatest on the finer classes of tea, and will in future be more so, *though with respect to the smuggler*, the alteration infinitely affects the bohea most, as that part of the duties, one shilling and one penny halfpenny per lb. operates on the price on the Continent in the manner following :

Bohea,	75 per cent.
Congou,	45
Souchong,	35
Singlo,	40
Hyson,	22

The encrease arises therefore from decreasing the prices of the more palatable beverage; more than half the consumption of this country consisted of black bohea tea, a liquor, which though equally wholesome, is so unpleasant, that it is not easy to conceive how it could be swallowed, and yet this sort could not be had unadulterated much under five shillings per pound. When the full effect of the present system has taken place, a most

most delicious liquor, hyson, will be sold for little more than that price, and the intermediate sorts all proportionably low. After having stated these circumstances, let us weigh the consequences. In this country, where almost every person who eats bread (I fear I may add, and even those who cannot) drink tea perpetually, what is likely to be the consumption in point of *quantity*, and what is of as serious consideration, of *quality*, and then advert to the sum the nation must pay to China,* I fear it will be found infinitely the greatest proportion in silver. With respect to the great staple articles, cloth and lead,

* A few weeks ago, having occasion to visit an estate in Gloucestershire, I observed in a small market town that the number of Tea Dealers had increased in the last year from two to five: On my saying to one of the former Dealers that he probably suffered from so many rivals in his trade; he told me, that at present he had not felt it, for that he had sold more Tea in the last year than ever he had done before: he supposed that three times the usual quantity had been consumed. This was at a part of the country to which the smuggler never had any personal access; the whole of the Teas consumed, whether legally or illegally imported, passed through the hands of the Dealers. I very much wish that gentlemen, when they visit their estates in the *inland* counties, would make the same enquiries.

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if any advantage could be obtained by sending them to China, the alteration in the tea trade makes little or no variation in the circumstances, as we have always been under the necessity of either sending silver, or taking money in China for bills at a very disadvantageous exchange. If cloth could have been substituted, there has been always ample field for doing it; but the fact is, that beyond a limited quantity, it will be found to be a most extravagant price to pay by barter for tea, lead amounts to nothing; a thousand ton is in value, but fifteen or sixteen thousand pounds. In fact, if you will have the tea, your only resource will be silver from this country, or the draining of bullion from our settlements in India, by the Company, or by their servants, remitting their fortunes to China for bills on England, a practice that has already greatly accelerated the desolation of that unhappy country, and which cannot long continue.

Without any allowance being made for the prodigious alteration both in quantity and quality of the teas that must in future be purchased in China, and supposing (what is not

very probable) that the prices do not advance in that country, and that the whole consumption of Great Britain should never exceed 24,000,000 lb.* (I fear it will greatly) and supposing the forts to be in the proportion as they form the sixteen millions of this year (though it is more probable the proportions of the finer forts will greatly increase); with these suppositions, the amount of what Great Britain will have to pay as an annual tribute to China for this *article alone*, exclusive of silks, nankeens, china, &c. &c. will exceed the sum of £. 1,600,000, and to carry on this traffic, a capital of many millions will be required from the public. Before the late project took place, the legal sales of tea had amounted on an average of years to

* The legal quantity sold this year, with the smuggled tea, amounts to upwards of 20,000,000 lb. the full effect of the system cannot be felt under three or four years.

	lb.	For which ⁿ this country paid in China, £.
Bohea,	3,343,589	125,384
Congou,	695,870	43,486
Souchong,	99,562	9966
Singlo,	1,843,981	117,844
Hyson,	375,140	46,892
	* lb. 6,358,142	£. 343,572

The smuggler, it is supposed, imported an equal quantity ; and we will say nearly in the same proportions, though his profit on Bohea was 30, 40, and 50 per cent. higher than on the other sorts ; and indeed this tea is infinitely better adapted for his purposes, as it would bear any package without injury, which is not the case with green teas ; we might therefore conclude that his business lay chiefly in the low tea.

* Part of the tea imported by the Company, was exported for the drawbacks, and smuggled in again ; but that makes no difference in the question of what Great Britain paid for the commodity.

	lb.	s.	d.	£.
Bohea,	3,400,000	1	6	255,000
Congou	700,000	2	6	87,500
Souchong,	100,000	3	1	15,416
Singlo,	1,800,000	2	8	240,000
Hyfon,	375,000	5	0	93,750
	lb. 6,375,000			£. 691,666

I am convinced that 691,666l. is a large allowance for the purchase of tea by the smuggler on the continent of Europe ; his profit on that sum centers here : if therefore we add what the Company has hitherto paid in China, making together little more than a million, whatever sum we may have to send beyond that million will be an additional drain from this country.

It is a gross mistake to suppose the smuggler carried from this kingdom the specie of the country : it was certainly infinitely less convenient than bills, and unless greatly profitable, he could have no inducement more than any merchants. Smuggling is certainly a pernicious

icious practice, and I heartily wish to see it abolished; but we must not reckon that the balance of it was wholly against us. On the other side of the water you will find few merchants that will agree with you, in thinking it was at all so; and indeed if we consider that the French merchants are of such infinite consequence at our sales of India piece goods, through the medium of which we are to realize our revenues, and that such goods are prohibited in France unless imported from India in their own ships, we may have our doubts. But waving these arguments, I am of opinion that tea may be given to the consumer at a price that the smuggler* would be so completely defeated, that before the end of the second year he would not bring in a pound; and that such price would give to the Exchequer, shortly, a sum far exceeding what it has ever yet received for tea; and would at the same time serve to check the inordinate consumption. The East India Company, tho'

* The present duty of 12 1-half, per cent. *ad valorem* on the present prices of the East India Company's sales, has produced no less a sum than £. 276,040, which plainly evinces what might have been effected by a judicious modification of the duties.

formed of the most respectable individuals, who in their separate capacity would scorn to injure their country ; yet as a Company, in their collective capacity, can only consider the interests committed to their charge. That interest may lead them to wish for consumption of tea to any amount, and certainly *without duties*, as their *profit*, which is easily taken to a considerable degree on so vast a concern unperceived, will be the greater in proportion as the Exchequer relinquishes ; though indeed by the miserable policy of the Commutation Act, the Minister seems pledged to the public that the East India Company shall not take additional profit, or the Exchequer take revenue from tea. It has astonished me much, that with the experience of the happy success of the experiment of 1744 before our eyes, when by lowering the duties more than one half, the receipt to the Exchequer rapidly advanced from about £. 175,000 per annum, to above £. 700,000 per annum, we should not have thought the experiment worthy of our attention. About the year 1767, an experiment, which from its absurdity could not succeed, was attempted ; the shilling per pound excise

excise was taken from the black teas, on which, from the lowness of their value, it bore the hardest: but from the infatuation that prevailed at the time, contrary to all the remonstrances and earnest entreaties of the few who understood and wished well to the business, and who foretold the consequences, the Minister of the time prevailed on the Proprietors to vote an indemnification to the Exchequer from the Company, for any difference that might arise in the amount of the revenue. The event justified the prediction, Government thinking they had no interest to attend to, neglected those measures which alone could give effect to *any alteration* of duties.* During the few months the management remained in the hands of the gentlemen who wished the measure to succeed, the sales had a rapid increase, but these gentlemen being supplanted, it was soon found that speculators stood between the sales and the consumer; the price in consequence raised to him, and the smuggler had the same advantage as before. One

* Obliging the East India Company to have quick successive sales, of easy access to all buyers.

gentleman, who had been in the Direction, often publicly declared in my hearing, that he had cleared £. 20,000 for his share; and that as a merchant he had a right so to do, if the government gave him the opportunity.

I did intend to have made some observations on the pamphlet published by Mr. Baring, but it is not my wish to do any thing that may appear invidious. His opinion and mine of the Commutation Project certainly differ. We have both given the grounds of these opinions; the event must determine who reasons most justly on the subject. Notwithstanding he admits that from circumstances peculiar to this first year, the smuggler has introduced between four and five millions of pounds, that the Company have sent to the Continent £. 700,000 for the purchase of tea, and as much in silver to China for future tea, he conceives that a sum this year has been retained in this country, *sufficient to tend towards raising the price of the lands.* I, on the contrary, think that in no one year Great Britain ever has sent much more than half the sum from it, to purchase teas for its consumption, than it has
done

done this last year, and that the whole operation of the Commutation scheme, tends to rapidly sink the value of the lands in this country. *He* boasts that the Minister has presented the people this year with the sum of £. 2,055,462 in the prices of the tea in lieu of the duty on windows, and hopes that it will be more in future years. I lament it as a very baneful present, think the duty on windows wholly unnecessary, and hope that the project will fail from teas not being procurable, and that it will sink under its own enormity, or at least that our government will apply some remedy to the evils which it threatens, though perhaps after this (I may call it) debauch of the people, the remedy may not be so easy.

In short, to sum up all the evils arising from this project in one view, a partial, oppressive tax, has unnecessarily been laid on property, in a multitude of instances utterly destructive of it; which tax, by reasoning on the principle on which the duties on tea should be lowered, we must think, cannot be permanently productive, but which, if *now* with-

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drawn, may leave a great deficiency in the old revenue from windows. To atone for the sufferings by this tax, the greatest national objects have been sacrificed; a vast revenue on a luxury has been thrown away, which might have been even improved to near, or perhaps quite a million sterling per annum, and the smuggler equally defeated. In consequence of giving up this revenue, so enormous a consumption of this foreign luxury, and of the forts in the original cost most expensive, has been induced in this country, that Great Britain will have a much larger sum to pay for it than has ever yet been paid, by the Company in China, and through the medium of smugglers in Europe. It is likewise well worthy of serious consideration, what effect the prodigious increase in the use of tea, (which chiefly lies among the lower and middling classes of the people) may have on the produce of our own soil, malt. The one certainly must, in a great degree, be a substitute for the other,

S U P P L E M E N T.

THE foregoing *observations* were written merely to draw the attention of those who had the means of information in their own hands, to what I conceived to be the proper point in this great national concern, but as further explanation is wished for, I shall add a few more for the consideration of the public, though I might rest contented in saying, that the event will prove the truth or fallacy of my reasoning.

First then, it will be seen by the following account, taken from the Report of the Committee of the House of Commons on Smuggling, and made up at the East India House, that the importations of tea by all the nations of Europe, on an average of ten years previous to the Commutation Act, (including the private trade) was for one year 19,074,950 pounds weight.

Exported from China in season ending in March,	Foreign ships.	Containing lbs. of tea.	English ships.	Containing lbs. of tea	Total ships.	Total tea. Pounds.
1772	8	9,407,564	20	12,712,283	28	22,119,849
73	11	13,652,738	13	8,733,176	24	22,385,914
74	12	13,838,267	8	3,762,594	20	17,600,861
75	15	15,652,934	4	2,095,424	19	17,748,358
76	12	12,841,596	5	3,334,416	17	16,176,012
77	13	16,112,000	8	5,549,087	21	21,661,087
78	15	13,302,265	9	6,199,283	24	19,501,948
79	11	11,302,266	7	4,311,358	18	15,613,624
80	10	12,673,781	5	4,061,830	15	16,735,611
81	10	11,725,671	13	7,970,571	23	19,696,242
	117	130,509,482	92	58,730,022	209	
		Private trade tea,		1,450,000		
				60,180,022		
				130,509,482		

Total of tea brought from China by the ships of all Europe, lbs., 190,689,504

N.B. The ships the Foreign Companies employ in the China trade are infinitely larger than those employed by the English. The average for one year 19,068,959

By Mr. Baring's account, derived from the best quarter for information, the East India House, it appears, that with the tea which (from circumstances peculiar to the first year) was smuggled, and the amount of legal sales, that Great Britain took the last year above 20,000,000 lb. from its own stores and the stores of Europe; if we weigh attentively the circumstances I have stated in the former part of my observations, and consider that when the Company have imported fresh teas of the *sorts demanded*, and given them to the public at the prices the present system aims at, we must think that the consumption will in a very few years be vast indeed, and of sorts so costly, as to make the sum required of this country for the purchase enormously great, and infinitely the greater proportion in silver.

Foreign ships, it is said, have since the foregoing account was given in, rather increased their imports, (though part of those imports, viz. by American ships, can no way concern our smuggling trade) *this* circumstance, more than all others, required our proceeding with great *judgement* and *temper* in the plan to be

adopted for abolishing the smuggling of *tea*, as the smuggler can in *this article* have no resource but in the foreign East India Companies, the great point to be obtained by *lowering* duties, is either to leave the tea they have imported beyond the consumption of their respective countries on their hands unfold, or oblige them to give it at such prices, as may take away all inducement to cross the globe for more. The rashness of the commutation system has *suddenly created* a market for *all their tea*, and lest it should not have found its way to that market, our East India Company have bought to the amount, it is said, of 15,000,000 pounds; but for the impetuous demand in England, arising from the *commutation principle*, the Directors would probably have considered, that they could be justified in buying tea on the Continent of Europe, no longer than the Foreign Companies were under the necessity of giving it at prices that left no encouragement to bring more.

All the ships of Europe are obliged to receive their *cargoes of tea* at one *port* in China; the quantity and sorts which each ship takes is pretty

pretty exactly known; we likewise know nearly at what expence the Foreign Companies can bring it to Europe: *at present* they have perhaps some advantage in freight, but the English Company command the market in China, and have the advantage of capital; it will be found on the whole that our Company may bring tea to this country from China, and *deliver it as cheap*, as the Foreign Companies can bring it and *deliver it in their respective countries*; it remains to consider *what may be taken in duties*, without enabling the smuggler to defy the laws of his country, and encounter all the expence, difficulties and dangers of his trade; whatever it may be, he must *divide it with the dealer or consumer* (the quantity the latter takes immediately from him is comparatively trifling); the profit has been for some years from 140 to 180 *per cent.* (the part the duties constituted of that profit was from 125 to 166,) with this great profit *so divided*, I am informed, and from no bad authority, that taking every consideration of his losses and expences, the smuggler has not very largely benefited by this part of his trade; but suppose by lowering duties, the profit
on

on the trade reduced to 45 or 50 *per cent.* it will soon be found that the smuggler can no more proceed, than if you leave him the present 12 one-half, and should such a duty be attended with the happy consequence of checking the future consumption to the quantity legally sold this year, viz. 16,000,000 pounds, the receipt to the Exchequer would be worth a million sterling, (the 12 one-half *per cent.* on that quantity yielded this year £. 276,040) should it not check the consumption to that quantity, the Exchequer would receive in proportion on the increase, and all it received would in every point of view be a benefit to the nation.—Should further proof be required of the truth of the above arguments, let us advert to what has happened this last year: Mr. Baring says, page 31, “ It will be found, that previous to the passing of the act, the quantity of congou tea “ delivered, upon an average of ten years, “ amounted to no more than 695,870 lb. and “ of fouchong to 99,562 lb. whereas there “ were sold within twelve months after the “ act passed, of congou 2,870,719 lb. and of “ fouchong 635,866 lb. which are considerably

“ ably more than the proportion upon
 “ the whole sales, and notwithstanding the
 “ average price of congou has pushed up to
 “ 4 s. 8 d. $\frac{16}{100}$ per lb. by speculation, yet the
 “ Directors have invariably offered it at 2 s.
 “ 5 d. per lb. and the fouchong, which has
 “ been pushed up to 5 s. 10 d. $\frac{12}{100}$ per lb. was
 “ offered by the Directors at 3 s. per lb. *the*
 “ *Directors therefore have done their duty in en-*
 “ *deavouring by every means in their power to*
 “ *reduce the prices paid by the publick.*”—It ap-
 pears by this account that the species of tea,
 the fine black, the *congou* and *fouchong*, of
 which in future years the consumption is like-
 ly to be very large indeed, and of which the
 Company will probably be able to procure any
 quantities, as being the sorts in general use
 over that vast empire of China, have been ac-
 tually sold this last year at the East India
 House, at prices that have, under great dis-
 advantages, so defeated the smuggler, that the
legal sale of those articles increased, on one
 four, and the other six fold, and such prices
 have given the Company 90 *per cent.* more
 than they required, and 52 and 56 *per*
cent. more than they have ever received on

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their

their small former sales, though the freight during the larger part of the period the calculation was made in, was by the late war advanced to be a most enormous charge on the article. The Companies *extra profit* on these two sorts this year, amounted to £.190,818 (exclusive of the advantage of quick return). I do not mention this circumstance as wishing the profit to have been less, on the contrary, as long as the Minister may think tea an improper object for taxation, I heartily wish the Company to take more profit on all their tea, in defiance of commutation. There are people who think that all consequences considered, that the duties on tea had better remained as they were, but I have met with no person who does not agree with me in thinking, that lowering the price of tea beyond what is absolutely required to defeat the smuggler, and inducing thereby an unnecessary consumption of this foreign luxury, is the most absurd policy that could be adopted; in short, the question to be decided is this, whether a trade in its nature unbeneficial, but which must be continued, (for if the East India Company should not supply

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ply tea, the smuggler will) shall on the principle of the Commutation Project, be made the *greatest evil*, or on a judicious management of duties, the *least evil* possible to this country?

I subjoin the following accounts for the use of those who may wish to consider the subject in various points of view :

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The prices of tea in China per pound weight.	The prices of tea at the East India Company's sales on an average for ten years past, including the duties of Excise and Custom, and the discount deducted.	The proportion of that price constituted by the duties of Excise and Custom.	The net money received by the East India Company for the tea, including the war freight and all charges.
s. d. d. 0 8 or 9 1 3 - 1 10½ -	s. d. 4 3½ 6 10½ 8 0½	s. d. 2 6½ 3 8½ 4 3½	s. d. 1 8½ 3 1½ 3 9½
Bohea, Congou, Souchong Singlo, including in that description 1 3½ - all green tea below Hyfon	— 6 8½ — 6 8½ — 11 10½	— 3 7½ — 3 7½ — 5 11½	— 3 0½ — 3 0½ — 5 10½
Hyfon, The	— 11 10½	— 5 11½	— 5 10½

	The net prices received by the English East India Company (exclusive of duties of Excise and Customs, with war freights, &c. as appear by the foregoing table, per pound weight.		The present duty of 12½ per cent. is per pound weight on those prices.		Old duties per pound weight, as cast on former prices.		The proportion the new duty bears to the old duties, is nearly as under.	
	s.	d.	s.	d.	s.	d.	—	
Bohea,	1	8 ¹³ / ₁₀₀	0	2 ⁶² / ₁₀₀	2	6 ⁸⁵ / ₁₀₀	—	11th part.
Congou,	3	1 ⁷⁰ / ₁₀₀	0	4 ⁷¹ / ₁₀₀	3	8 ⁵³ / ₁₀₀	—	9th ditto.
Souchong,	3	9 ⁷⁴ / ₁₀₀	0	5 ⁷² / ₁₀₀	4	3 ¹³ / ₁₀₀	—	9th ditto.
Singlo,	3	0 ⁷³ / ₁₀₀	0	4 ⁵⁹ / ₁₀₀	3	7 ⁷⁵ / ₁₀₀	—	9th ditto.
Hylon,	5	10 ¹¹⁶ / ₁₀₀	0	8 ⁸⁷ / ₁₀₀	5	11 ¹⁰⁶ / ₁₀₀	—	8th ditto.

East

East India Company's price for Tea, suppos- ing it the same as with war freight for the last ten years, includ- ing new duty of 12 1-half per Cent.	East India Com- pany's price for Tea for the last ten years, with the old duties includ- ed, per Pound.
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	s.	d.		s.	d.
Bohea, -	1	11 $\frac{37}{100}$	-	4	3 $\frac{3}{4}$
Congou, -	3	6 $\frac{41}{100}$	-	6	10 $\frac{1}{4}$
Souchong, -	4	3 $\frac{46}{100}$	-	8	3 $\frac{1}{2}$
Singlo, -	3	5 $\frac{34}{100}$	-	6	8 $\frac{1}{2}$
Hyson, -	6	7 $\frac{83}{100}$	-	11	10 $\frac{3}{4}$

The above accounts shew the proportion received by the Exchequer and by the East India Company for *Tea* sold by the latter in the last ten years, viz. from 1774, to 1784; during the larger part of this period the Company have paid enormous *war* freights, and have had very tedious returns of their money to wait for. Mr. Baring (the whole of whose information is derived from the officers at the East India House,) values the quick return on the sixteen million of pounds sold last year, at 160,000*l*. By the above table will likewise

be

be seen, the great advance of tea legally sold
for the last ten years, on the cost in China,
being on the different sorts, from 580, to
430 per cent.

F I N I S.

be found, the great abundance of tea is daily sold
for about one year, on the coast of China,
being of the different sorts, from 500 to
1000 pounds.

